



**U.S. Department of Justice**

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**FOR IMMEDIATE RELEASE:**

**SIX INDIVIDUALS SENTENCED IN  
PERF FRAUD SCHEME**

**PRESS RELEASE**

Christina McKee, Acting United States Attorney for the Southern District of Indiana, announced that Indianapolis residents JAMES A. SPAULDING, 26, CARSON L. BRYANT, JR., 27, CHARLES L. BURNEY, 26, WALTER L. HOLLOWAY, 31, AARON L. PRICE, 20, and LADONNA J. JACKSON, 38, were sentenced today by U.S. District Judge Sarah E. Barker following their guilty pleas to bank fraud, money laundering and other offenses in connection with the theft of more than \$226,000 in funds from the Public Employees Retirement Fund of Indiana (PERF). The charges are the result of a joint investigation by the Indiana State Police, the Internal Revenue Service-Criminal Investigation, and the U.S. Secret Service.

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The Indictment charged that SPAULDING, worked with six other persons, BRYANT, BURNEY, HOLLOWAY, PRICE, JACKSON and DEBRA TURNER, to steal \$226,773.63 from PERF. SPAULDING worked as a temporary employee at PERF from January 28, 2002 through July 3, 2002 on a special project known as the "Minimum Distribution Project." This Project was designed to locate living and deceased PERF members who were at least 70 ½ years of age, and who had not yet received distributions. The goal of the project was to distribute retirement funds to members still living or to locate and distribute funds to the beneficiaries or survivors of the deceased members.

As part of his duties at PERF, SPAULDING had access to the personal identifying information contained in computer records and documents maintained by PERF. He also had the ability to make changes to these records and cause PERF to issue checks drawn on the retirement accounts of its members. These checks were drawn on an account PERF maintained.

As part of the bank fraud scheme, SPAULDING made false and fraudulent changes to the information contained in the PERF computer system to cause benefit checks to be issued to BRYANT, BURNEY, HOLLOWAY, PRICE, JACKSON, TURNER, and BURNEY's half-brother, Correy Harrison, who was not involved in the scheme. SPAULDING knew the other defendants through various social connections, and he changed PERF records to show that his co-defendants were the beneficiaries of seven deceased PERF members. BRYANT, BURNEY, HOLLOWAY, PRICE, JACKSON, and TURNER then cashed the fraudulently

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issued benefit checks, which incorrectly stated that these persons were the beneficiaries of seven deceased PERF members. BURNEY a/k/a Correy Harrison is also charged with allegedly misusing the social security number of his half-brother, Correy Harrison, in connection with the bank fraud scheme and making false statements about his identity on a Currency Transaction Report he caused to be prepared in connection with his withdrawal of over \$22,000 in U.S. Currency from an account in Harrison's name.

SPAULDING pled guilty to 7 counts of bank fraud and one count of prohibited financial transactions and was sentenced to 57 months of imprisonment to be followed by 5 years of supervised release. Judge Barker also ordered him to pay restitution in the amount of \$546,656.76.

BRYANT pled guilty to 2 counts of bank fraud and one count of a prohibited financial transaction. Judge Barker sentenced BRYANT to 4 months of imprisonment and 4 months of home confinement to be followed by 4 years of supervised release. BRYANT was ordered to pay restitution in the amount of \$53, 884.62.

BURNEY pled guilty to 3 counts of bank fraud, 3 counts of prohibited financial transactions, one count of misuse of another person's social security number, and one count of causing a financial institution to file a false currency report. BURNEY was sentenced to 30 months of imprisonment to be followed by 4 years of supervised release. Judge Barker also ordered BURNEY to pay restitution in the amount of \$116,055.97

HOLLOWAY pled guilty to one count of bank fraud and one count of a prohibited

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financial transaction. Judge Barker sentenced HOLLOWAY to 4 months of imprisonment, 4 months home confinement, and 4 years of supervised release. HOLLOWAY was also order to pay restitution in the amount of \$38,097.07

PRICE pled guilty to one count of bank fraud and was sentenced to one month of imprisonment and 5 months of home confinement. Judge Barker also sentenced PRICE to 3 years of supervised release to follow his term of imprisonment and to pay restitution in the amount of \$18,672.97.

JACKSON pled guilty to one count of bank fraud and one count of a prohibited financial transaction. JACKSON was sentenced to 4 months of imprisonment and 4 months of home confinement to be followed by 3 years of supervised release. Judge Barker also ordered Jackson to pay restitution in the amount of \$36,524.82.

TURNER, 48, of Indianapolis is scheduled to be sentenced by Judge Barker on May 4, 2004.

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